

ADMINISTRATION TEAM MINUTES

Date: April 11, 2003
Time: 9:00 am
Place: Tacoma AGC Building

<u>Attending:</u>	Cathy Arnold	<input checked="" type="checkbox"/>	Mike Hall	<input type="checkbox"/>	Mark Rohde	<input type="checkbox"/>
	Dave Banke	<input type="checkbox"/>	Bob Hilmes	<input checked="" type="checkbox"/>	Larry Schofield	<input checked="" type="checkbox"/>
	Jerry Brais	<input type="checkbox"/>	Ron Howard	<input checked="" type="checkbox"/>	Mark Scoccolo	<input checked="" type="checkbox"/>
	Jeff Carpenter	<input type="checkbox"/>	Carl Jonasson	<input type="checkbox"/>	Bill Senta	<input checked="" type="checkbox"/>
	Doug Ficco	<input type="checkbox"/>	Tina Nelson	<input type="checkbox"/>	Greg Waugh	<input checked="" type="checkbox"/>
	Paul Gonseth	<input checked="" type="checkbox"/>	Cathy Nicholas	<input type="checkbox"/>	Tom Zamzow	<input checked="" type="checkbox"/>

Opening: The minutes of the February 7th meeting were approved.

Ron introduced Paul Gonseth, Project Engineer from Yakima, who will be joining the team to replace Bob Hilmes. Bob is transferring to the Structures Team.

Quality Roundtable

Larry Schofield reports that Local Programs is busy this Spring. The office has processed 80 jobs for locals, compared to 87 last year. The crew is working on the LAG Manual, updating the consulting section.

Bob Hilmes, in his last report, described the staffing situation in Spokane. They are watching the Legislature for revenue. One office was surplus in any funding scenario, so they went ahead and closed a Spokane field office. Personnel were rotated. The Region has experienced an 8% voluntary reduction by people who have found other work.

Greg Waugh says that Kuney is scrambling with lots of work all happening simultaneously. The two Oregon jobs are a Design-Build in LaGrande and the St. John's bridge in Portland. The company also has the Lewis-Clark bridge in Longview.

Tom Zamzow reports that Wilder is experiencing a slow period. They will start in Bellingham in a couple of weeks. The new Everett asphalt plant will be opening soon. The company is looking at Sound Transit and Monorail jobs. They are also trying for small city and county work.

MINUTES (cont)

Date: April 11, 2003

Page 2

Mark Scoccolo sees a lot of work. The atmosphere is very competitive and Scoccolo has not started lowballing. They have some carryover and a few odds and ends.

Bill Senta notes that Atkinson is in a bidding slump. The NE 8th job in Bellevue is going well. The last deck pour was a Murphy Law job, with traffic problems on SR 522 interfering with concrete delivery.

Cathy Arnold says that bids for the big Downtown Bellevue job will open in May. A big job on SR 18 and another on SR 900 in Issaquah are also coming soon. The Region will be busy this year, but 5 offices are at risk next year.

Paul Gonseth reports that the South Central Region has some work, but it's mostly on SR 12 in the far east end. Paul's office has a job with Mowat using the new lump sum traffic control specs.

Ron Howard described the Hood Canal Bridge plans and mentioned three new specs that bidders need to watch for. These are the DRB provisions, the Progress Schedule spec and a new approach to Environmental requirements where the imposed restrictions are pulled from the permits and listed separately. Ron also described changes in the Construction Office with Ron Lewis transferring to the Olympic Region to work on the Hood Canal project. The Construction Office has tightened its belt too much now, and Ron's position will be replaced. Kevin Dayton is looking at possible new organizational structures.

Old Business—Traffic Control, Section 1-10

A listing of the sixteen trial jobs was handed out. The list included five projects that have already been awarded and five more that open in the next two weeks.

New Business—Insurance

In addition to last month's subject on the new terrorism laws and insurance, the team has received a request from the Structures Team to explore liability and property damage insurance limits. The group agreed to move insurance to the top of our list and work the subject concurrently with Progress Schedules. Ron will invite Bill Henselman to attend the next meeting and explain the present insurance position and the current environment. Contractors will research and bring current information available to them.

MINUTES (cont)

Date: April 11, 2003

Page 3

New Business—Progress Schedules

The team went back to work on the list of interest areas. Four new subjects were added and the entire list was prioritized with the following results:

1. CPM Schedules and submittals
2. Updates and Revisions to Schedules
3. Time Extensions
4. Schedule Tracking
5. Weekly Statements
6. Pay Item for Schedule Efforts
7. Mini-Schedules, Look-Aheads
8. Variable Start Date Jobs (initial 60-day schedule)
9. Use of Specified Software
10. Schedule for Closeout Work
11. Suspensions
12. Resource-Loaded Schedules
13. Use of Calendar Dates

There followed a wide-ranging discussion, more or less along the lines of this list.

The original concept was that a contractor has a schedule and the owner wants to see a copy of it for oversight purposes and to be able to plan support activities and brief the public about what's coming next. This evolved into the use of the schedule to assess criticality for workable days and time extensions. The next evolution was to use the contractor's schedule against him in claims defense. Contractors caught on quickly and started being careful with schedules, hiding float time and providing minimal ammunition for a later dispute situation.

Scheduling is a dynamic undertaking. The Critical Path can and does change as events and progress dictate. Contractors need language to protect their ability to adapt to these dynamics. They want to be able to revisit a change order or overrun in the light of subsequent events. This leads to the use of disclaimers on some changes and the overuse of disclaimers on all changes on some projects.

The owner needs to be able to predict the timing of various activities on the project, both for public information and cash flow planning. New specs have arisen that try to force the contractor to provide this information.

MINUTES (cont)

Date: April 11, 2003

Page 4

Who owns the float? This is a major issue in schedule discussions. Some states explicitly assign the float to the Contractor (CALTRANS, for example) while others take a view that the float belongs to the project and whoever uses it first. This gives rise to a dilemma. If the Contractor has a plan for early completion, and develops a schedule accordingly, the owner may be able to co-opt that float for changes and other owner-caused delays. There will be motivation to extend the durations of the activities to show full utilization of contract time and conceal the float. On the other hand, an early completion schedule will put the contractor in good position for an extended duration demand if the early completion is delayed by the owner.

Not all jobs need a strong emphasis on time. Most jobs, in fact, are non-critical and can get along just fine with a bar graph. We should develop standard specs for the simple jobs and project-specific GSP provisions for the exceptions where more schedule effort is warranted.

It is not misbehavior when the contractor includes some contingency for an activity. Stuff happens, and an experienced manager knows that a five-day operation often takes seven or eight days. If this is the probable duration, then that is what belongs in the schedule.

Matching workable days to the calendar is problematic. This comes up in several of the popular software programs and conflicts with the WSDOT approach to charging time and recognizing weather delays as excusable. Software can be a valuable tool, but can become the driver for how time is specified and managed. The rising habit of specifying software is unfortunate.

Another rising habit is demanding resource-loaded schedules. This is nothing but claims defense and has no role in cooperative contract management.

Next month the discussion will continue.

Future Meetings

May 16th, 2003 @ Tacoma AGC (9:00 am)

June 6th, 2003 @ Tacoma AGC (9:00 am)

Assignment List

<u>Who</u>	<u>What</u>	<u>By When</u>
Ron Howard	Invite Bill Henselman to discuss Insurance	May 16 th
Contractors	Review Company Insurance Issues and bring info	May 16 th

MINUTES (cont)

Date: April 11, 2003

Page 5

Team's "Round Tuit" List

1. Traffic Control Provisions
2. Progress Schedules
3. Short-term Scheduling
4. Insurance Cost/Reimbursement
5. Tort Claims Liability/Accident Reports
6. Bid Item for On-site Overhead
7. Disputes Review Boards
8. Section 1-08.8, p5.c—Extensions for Quantity Overruns?
9. Joint Training—Documentation
10. Payroll, Wage Administration procedures
11. Materials on Hand provisions
12. Web-Based Construction Management